

Research Question

Saturn Entertainment has entered into a contract with the Galaxy Cable Channel to sell the exhibition rights (license) for the documentary film, *The Inner World*, which was produced by Saturn. Galaxy has agreed to buy the exclusive rights for a fixed fee of \$4.5 million with a delivery date of December 1 of this year and an initial air date of February 15 next year. As part of the contract, Saturn has agreed to reshoot and update the final scene which is significant to the film, and deliver it on January 31. Saturn is concerned about when it should record the revenue from this film sale.

For purposes of this research question only, you may ignore any "Pending Content" sections.